

AUDITING CAREER OPPORTUNITIES



DEPARTMENT OF DEFENSE

FY 2000 Defense Budget

- Largest Enterprise in the World
- Budget Authority
 - \$267.2 billion
- Force Structure
 - Active Military (1,386,000)
 - Guard and Reserves (1,353,000)
 - DoD Civilians (691,000)

Office of the Inspector General Department of Defense



**Office of the Assistant Inspector
General for Auditing**

DEPARTMENT OF DEFENSE

Secretary
of Defense

Chairman
Joint Chiefs
of Staff

Inspector
General

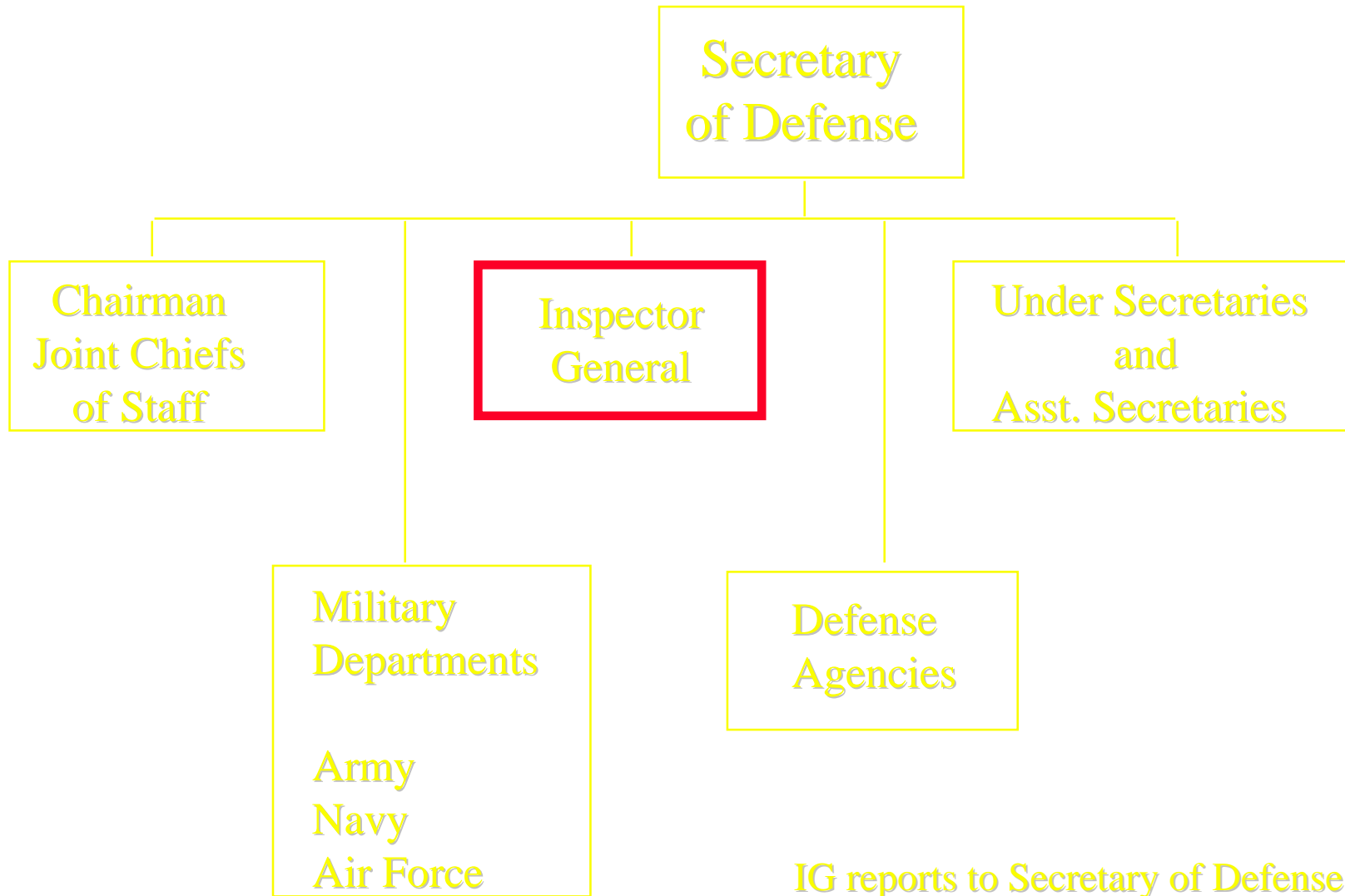
Under Secretaries
and
Asst. Secretaries

Military
Departments

Army
Navy
Air Force

Defense
Agencies

IG reports to Secretary of Defense



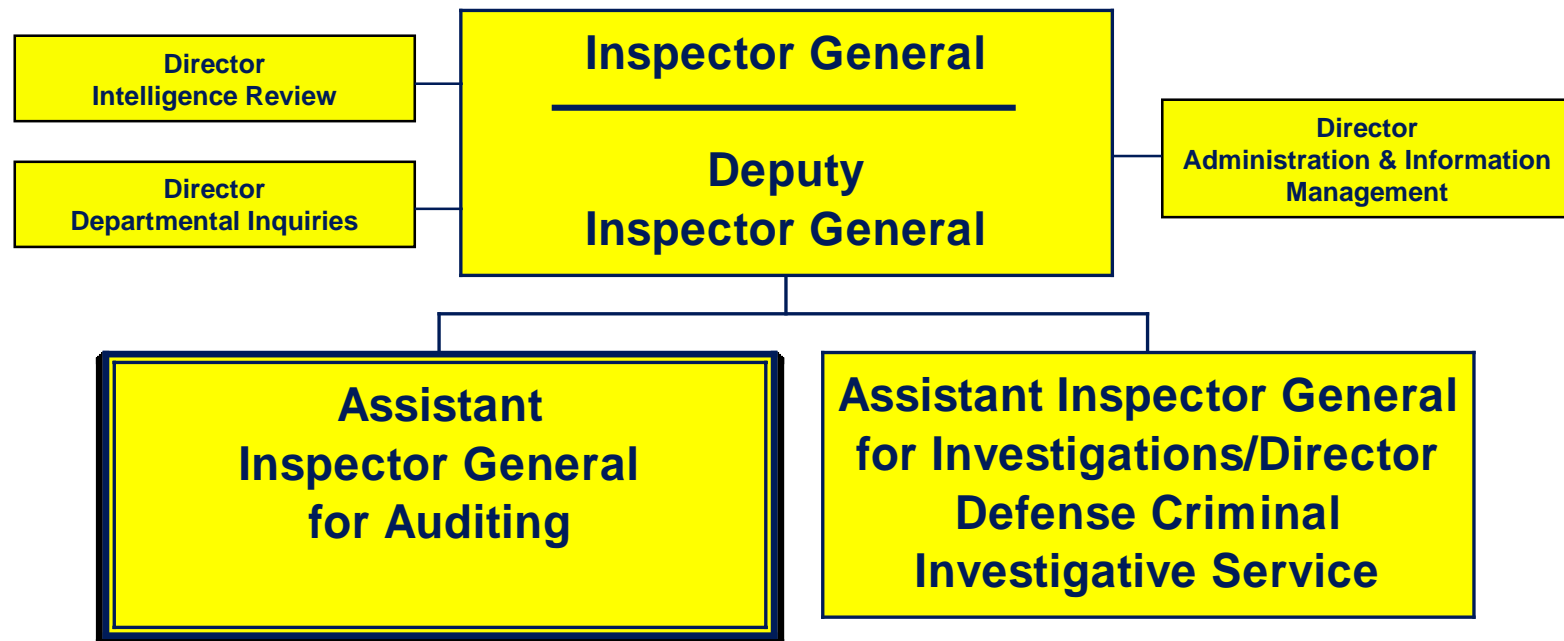
Selection of Inspectors General

- Nominated by the President
- Confirmed by the Senate

MISSION

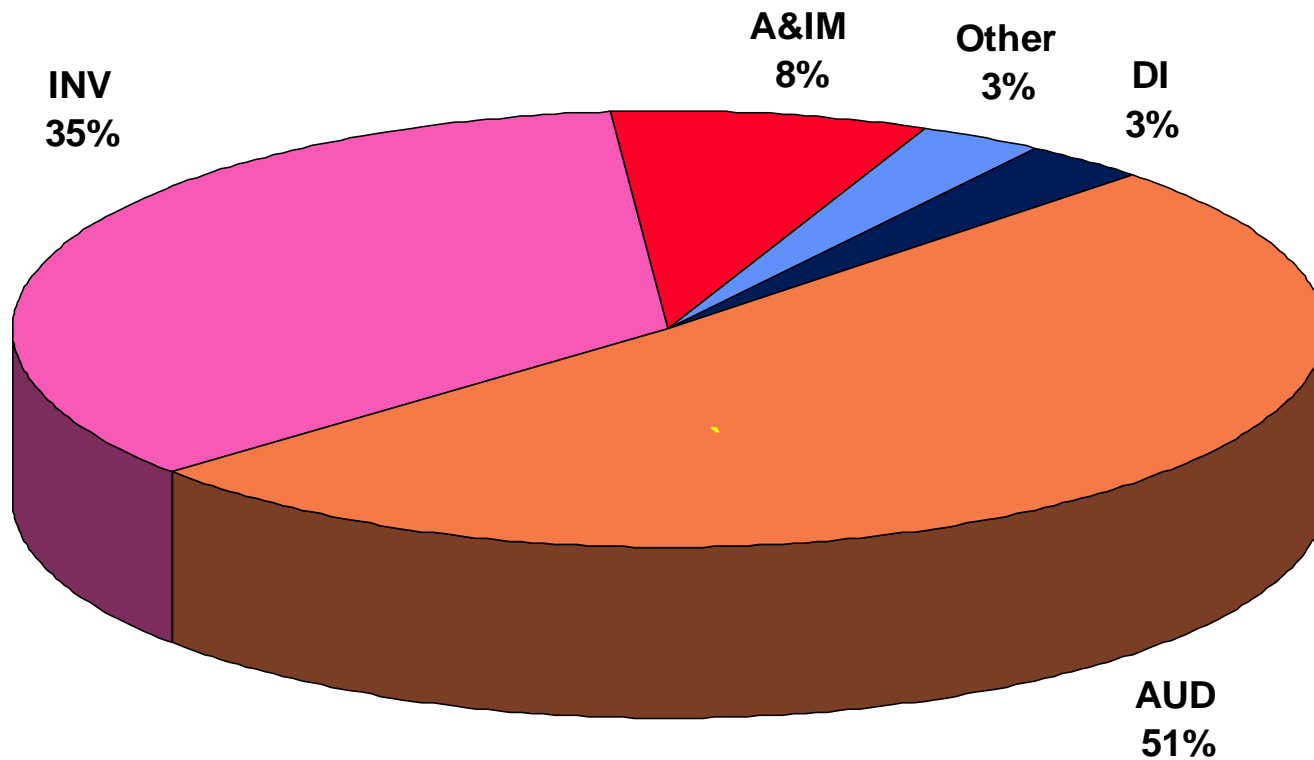
- Promote effective, efficient, and economical operations
- Prevent and detect fraud, waste and abuse
- Provide policy for, and conduct, audits and investigations
- Receive and investigate complaints
- Keep the Secretary of Defense and Congress fully informed

Office of the Inspector General Department of Defense



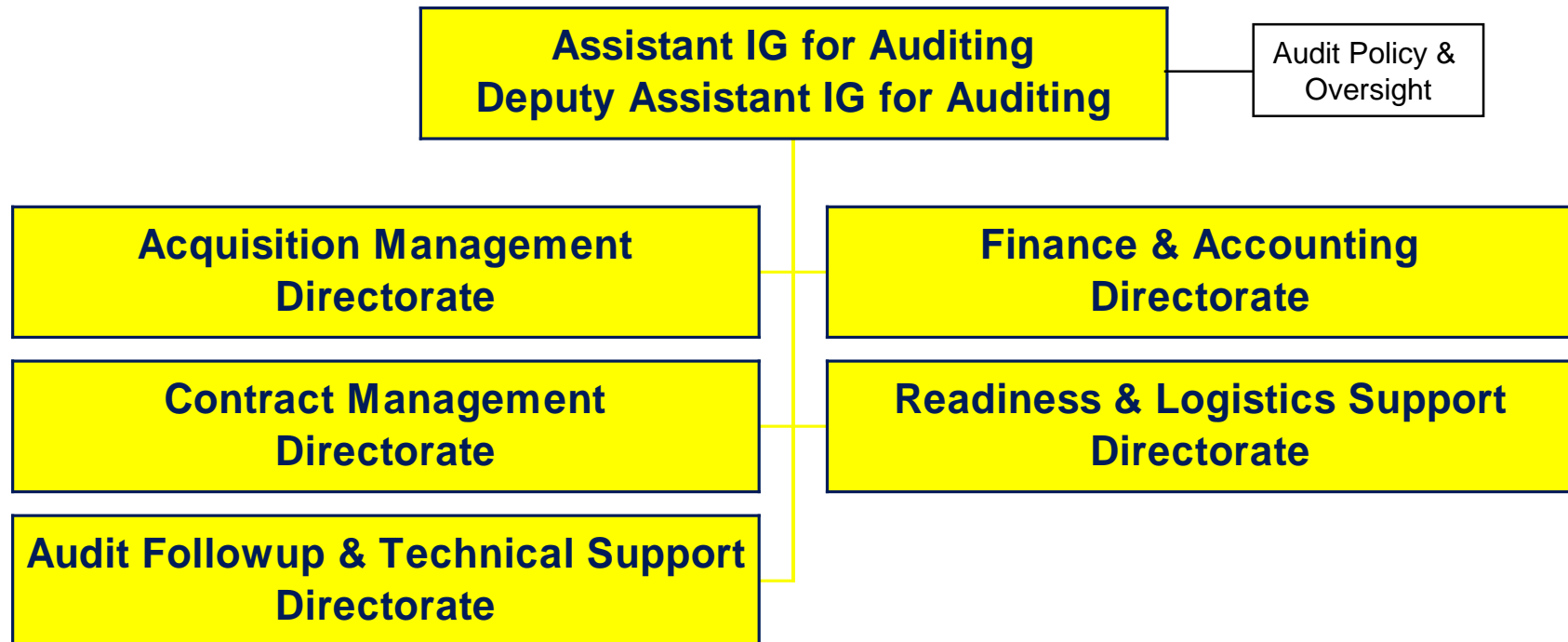
OFFICE OF INSPECTOR GENERAL

Allocation of Personnel

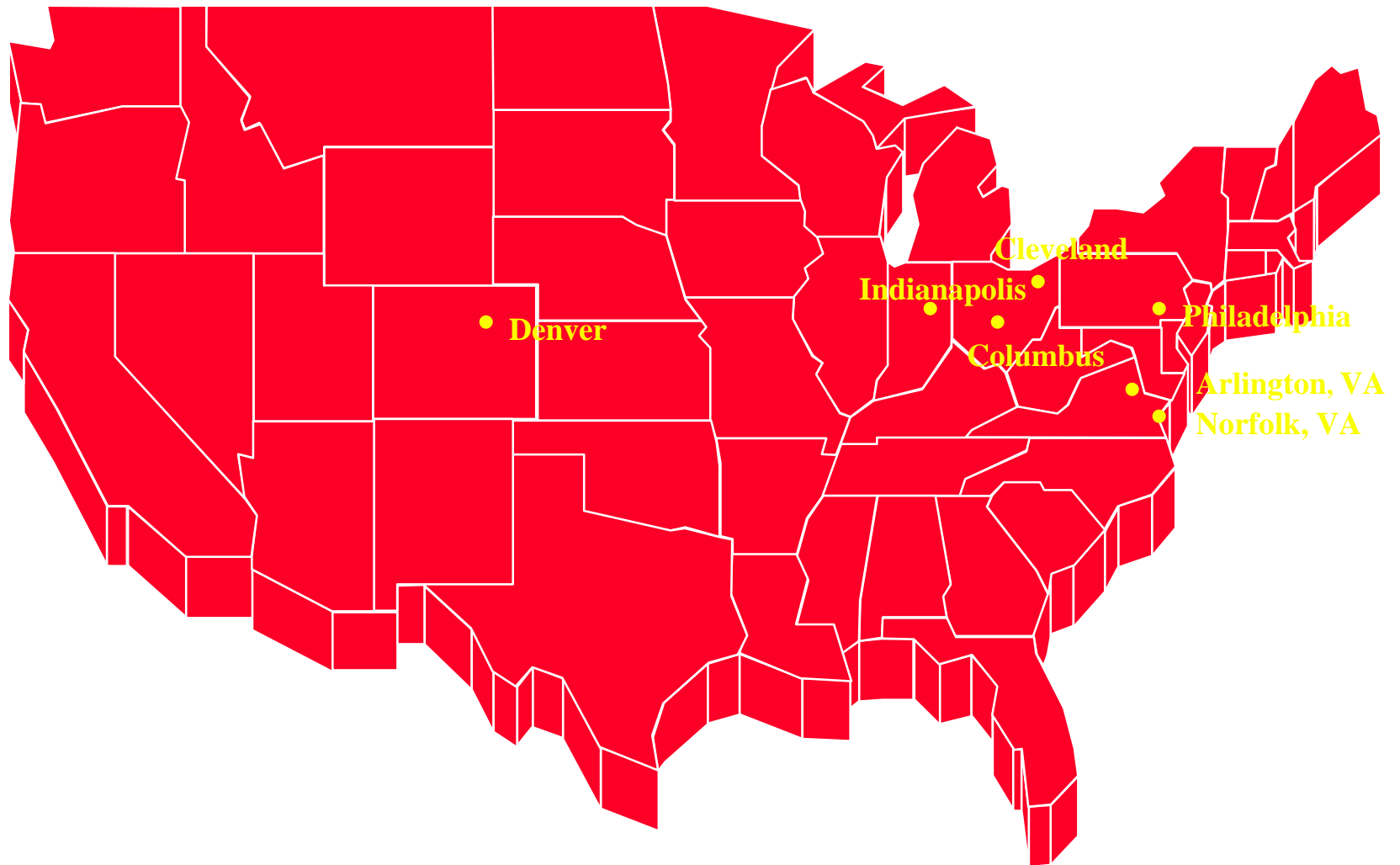


Total Strength as of 9/30/99: 1,231

OAIG-AUD Organizational Chart



Location of Audit Offices

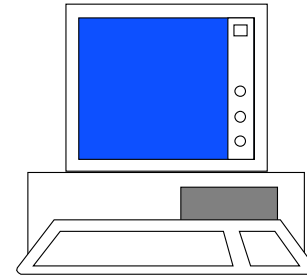


AUDITING STANDARDS

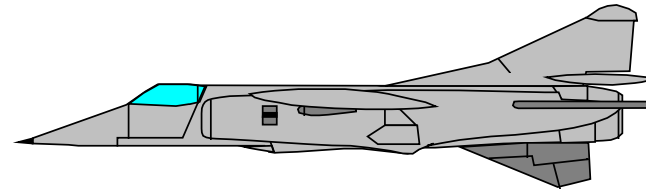
- Apply Government Auditing Standards (commonly called the Yellow Book) developed by U.S. General Accounting Office
- Government Auditing Standards incorporate applicable standards of the American Institute of Certified Public Accountants
- Key standards require independence, competent staff, adequate documentation of conclusions, and appropriate staffing and reporting of audit results

TYPES OF AUDITS

- FINANCIAL



- PERFORMANCE



FINANCIAL AUDITS

- Financial Statement Audits Provide Reasonable Assurance About Whether the Financial Statements Present Fairly:
 - The Financial Position,
 - Results of Operations, and
 - Cash Flows in Conformity with Generally Accepted Accounting Principles

FINANCIAL AUDITS (cont'd)

■ Financial Related Audits

- Problem Disbursements
- Contractor Payments
- General & Application Controls Over Financial Systems

Automated Financial Systems Group

- Defense Financial Systems Manage Over \$24 Billion in Disbursements
 - Military, Civilian, Retiree Pay, and Contractor Payments
 - 1.2 Million Invoices
 - 100 Million Accounting Transactions Each Year
- Major DoD Effort to Consolidate and Integrate Over 160 Financial Systems and 1,000 Feeder Systems

PERFORMANCE AUDITS

- Independent Assessment of the Performance of a Govt Organization, Program, Activity/or Function

Economy and Efficiency

Program Audits

- Audit Provides Information to Improve Public Accountability and Facilitate DoD Management Decision Making and Corrective Actions

AUDIT RELATED ACTIVITIES

■ Auditors May Perform Services Other Than Audits:

- Management Consulting
- Participate in Problem Solving DoD Management Advisory Teams
- Assist Investigators and Federal Prosecutors

PERFORMANCE AUDITS

DoD Audit Issue Areas

- Acquisition Program and Contractor Oversight
- Construction, Installation Support, and Commercial Activities
- Environment
- Finance and Accounting
- Health Care

PERFORMANCE AUDITS (cont'd)

DoD Audit Issue Areas

- Information Technology Resources
- Intelligence
- International Security
- Logistics
- Quality of Life

Auditors Add Value by Helping to Control Risk

- Test Controls in Existing Processes & Systems
- Recommend Corrections for Control Weaknesses
- Provide Upfront Advice on Controls for New Processes and Systems in Development
- Test Validity of Management Risk Assessments and Accuracy of Data/Reports Used by Managers

Auditors Add Value by Promoting Change and Reform

- Identify Opportunities for Improvement
- Verify Status and Results of Reforms
- Identify Barriers to Reform
- Help Fine Tune Reforms to Maximize Benefits and Control Risks

Audit Accomplishments

- Realized \$2.8 Billion in Monetary Benefits (10/1/97 - 9/30/99)
- 97% Recommendation Success Rate

HOW WE WORK

PROJECT TEAM

- Project Manager
- Team Leaders: 2 to 3
- Staff Auditors: 2 to 9

HOW WE WORK

SUPERVISION

Junior staff auditors work under day-to-day supervision of, and normally travel with, a team leader or senior auditor.

Project Managers are official supervisors, who work closely with all members of the team, prepare performance evaluations, and are responsible for career development of team members.

HOW WE WORK

TRAVEL

- Staff auditors should expect up to 60% travel.
- Usually 2 to 3 auditors travel together. Junior auditors are not expected to travel alone. Travel expenses are paid by the Government.
- Travel is typically from 1 to 3 weeks at one time. Policy is to return home at least every 3 weeks (except on occasional overseas trips).
- Amount of travel depends on audit assignment (i.e., number and location of audit activities, time sensitivity of issues being reviewed, etc.).

AUDITOR TRAVEL

From Most Offices:

- Frequently throughout the United States
- Occasionally, Audits in Europe (Primarily Germany)
- Occasionally, Audits in Pacific (Primarily Hawaii, Japan & Korea)

FREQUENT TRAVEL LOCATIONS

- EGLIN AFB, FL
- SAN DIEGO, CA
- SAN ANTONIO, TX
- TAMPA, FL

NOT ALL IN THE SUN BELT

- DAYTON, OH
- OMAHA, NE
- FT MONMOUTH, NJ
- MECHANICSBURG, PA

CONTINUING EDUCATION REQUIREMENTS

- Junior Auditor Training Course (for all new auditors) - 3 weeks (at IG Training Institute, at Ft. Belvoir)
- Intermediate and Advanced Auditor Training Courses

TRAINING

Contract/Other Government

- ADP Software
- Report Writing
- Specialized subjects (e.g., systems acquisition, financial statements)
- CPA/CIA coaching
- Defense Systems Management College

STARTING SALARIES

AUDITORS

Washington, D.C. Area

(2000)

GS-5	\$24,930
GS-7	\$29,998
GS-9	\$35,617

SIGN-ON BONUSES

AUDITORS

Washington, D.C. Area

(2000)

GS-5	\$4,986
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GS-7	\$6,000
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GS-9	\$3,562
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PROMOTION

Through Grade GS-12, based on performance
and demonstrated potential.

Washington, D.C. Area
(2000)

GS-11	\$42,724 - \$55,541
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GS-12	\$51,204 - \$66,564
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FURTHER PROMOTION

(Competitively)

Washington, D.C. Area
(2000)

<u>GRADE</u>	<u>SALARY RANGE</u>
GS-13	\$ 60,890 - \$ 79,155
GS-14	\$ 71,954 - \$ 93,537
GS-15	\$ 84,638 - \$110,028
SES	\$115,811 - \$130,200

FEDERAL BENEFITS

- Salary: Commensurate with education and experience
- Advancement: Based on performance
- Training: Heavy emphasis on enhancing employee skills
- Vacation: Earn 13 days per year (Increases to 20 days after 3 years and 26 days after 15 years)

FEDERAL BENEFITS

(Continued)

- Sick Leave -- Earn 13 days per year
- Holidays -- 10 days per year
- Health/Life Insurance
- Retirement/Thrift Savings Plan
- Equal Employment Opportunity
- Flexible Work Schedule
- Earn Credit Hours for Overtime Worked

AUDITOR INTERN PROGRAM

Major Duties:

- Work as a Member of An Audit Team
- Research Applicable Laws, Regulations
- Gather Data and Prepare Analyses
- Prepare Working Papers
- Interact With Clients

Salary : \$9.00 to \$10.00 Per Hour

Travel Required

Full-Time Employment Opportunity